

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF WASHINGTON

In Re:

LLS AMERICA, LLC,

Debtor,

BRUCE P. KRIEGMAN, solely in his  
capacity as court-appointed Chapter 11  
Trustee for LLS America, LLC,

Plaintiff,

v.

PHYLLIS BLEA., et al,

Defendants.

NO: CV-12-479-RMP

Bankr. Case No. 09-06194-PCW11

Adv. Proc. No. 11-80294

DEFAULT JUDGMENT

THIS MATTER came on consideration upon the Motion of Plaintiff for Entry of Default and Judgment against Defendant HiTech Investments, and it appearing from the file and records of this Court in this cause that the default judgment entered by the Bankruptcy Court should be deemed proposed findings of

1 fact and conclusions of law, and that entering final default judgment in conformity  
2 with the default judgment entered by the Bankruptcy Court is appropriate,

3 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED** that the  
4 Plaintiff, Bruce P. Kriegman, solely in his capacity as court-appointed Chapter 11  
5 Trustee for LLS America, LLC, shall have a judgment against Defendant HiTech  
6 Investments, as follows:

7 1. Monetary Judgment in the amount of \$18,500.00 USD, pursuant to 11  
8 U.S.C. § 550 and RCW 19.40.071;

9 2. Transfers in the amount of \$16,750.00 made to the Defendant HiTech  
10 Investments within four years prior to the Petition Filing Date are hereby avoided  
11 and Plaintiff may take all necessary action to preserve the same, pursuant to 11  
12 U.S.C. §§ 544, 550, 551 and 548(a) and (b) and RCW 19.40.041(1) and (2) and  
13 RCW 19.40.071;

14 3. Transfers in the amount of \$1,750.00 made to Defendant HiTech  
15 Investments more than four years prior to the Petition Filing Date are hereby  
16 avoided and Plaintiff may take all necessary action to preserve the same, pursuant  
17 to 11 U.S.C. §§ 544, 550 and 551 and RCW 19.40.041(1) and 19.40.071;

18 4. All said transfers to Defendant HiTech Investments are hereby set aside  
19 and Plaintiff shall be entitled to recover the same, or the value thereof, from  
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1 Defendant HiTech Investments for the benefit of the estate of LLS America,  
2 pursuant to 11 U.S.C. §§ 544, 550 and 551;

3 5. All proofs of claim of Defendant HiTech Investments which have been  
4 filed or brought or which may hereafter be filed or brought by, on behalf of, or for  
5 the benefit of Defendant HiTech Investment or its affiliated entities, against the  
6 Debtor's estate, in this bankruptcy or related bankruptcy proceedings, are hereby  
7 disallowed and subordinated to the monetary judgment granted herein, and  
8 Defendant HiTech Investments shall not be entitled to collect on its proof of claim  
9 (Claim No. 657-1) until the monetary judgment is satisfied by Defendant HiTech  
10 Investments in full, pursuant to 11 U.S.C. §§ 502(d), 510(c)(1) and 105(a);

11 6. A constructive trust is hereby established over the proceeds of all transfers  
12 in favor of the Trustee for the benefit of the estate of LLS America; and

13 7. Plaintiff is hereby awarded costs (i.e. filing fees) in the amount of \$250.00  
14 USD, for a total judgment of \$18,750.00 USD, which shall bear interest equal to  
15 the weekly average of one-year constant maturity (nominal) treasury yield as

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1 published by the Federal Reserve System.

2 The District Court Clerk is directed to enter this Order, enter judgment as  
3 outlined above, and provide copies to counsel and to Judge Patricia C. Williams.

4 DATED this 1st day of November 2012.

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7 *s/ Rosanna Malouf Peterson*  
8 ROSANNA MALOUF PETERSON  
9 Chief United States District Court Judge  
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